

REPORT TO THE TWENTY-FIFTH LEGISLATURE  
STATE OF HAWAII  
2009

PURSUANT TO SECTION 326-25.5, HAWAII REVISED STATUTES, REQUIRING THE  
DEPARTMENT OF HEALTH TO SUBMIT AN ANNUAL REPORT TO THE  
LEGISLATURE ON INITIATIVES AND IMPROVEMENTS IN KALAUPAPA  
SETTLEMENT AND TO TRACK PATIENT AND NON-PATIENT COSTS SEPARATELY,  
WHENEVER APPROPRIATE AND POSSIBLE.

PREPARED BY:

STATE OF HAWAII  
DEPARTMENT OF HEALTH  
OCTOBER 2008

## EXECUTIVE SUMMARY

In accordance with Section 326-25.5, Hawaii Revised Statutes (HRS), the Department of Health (DOH) is submitting a report to the 2009 Legislature on initiatives and improvements in Kalaupapa Settlement and patient and non-patient costs, whenever appropriate and possible. The initiatives and improvements are to address deficiencies identified by an audit (Auditor's Report No. 03-15, Audit of Kalaupapa Settlement Operations and Expenditures) conducted during the summer of 2003.

All of the six (6) audit recommendations for the Department of Health identified in the Audit of Kalaupapa Settlement Operations and Expenditures have been addressed and corrected. Nine (9) areas of concern were identified in House Bill No. 2814, H.D.2, S.D.1, C.D.1, 2004, (later enacted as Act 232 SLH 2004) in which the DOH was asked to report to the Legislature regarding our remediation and improvements in these areas. All nine areas have been addressed and corrected and are delineated in the DOH's previous report to the Twenty-Third Legislature, 2005 and updated in the 2006, 2007 and 2008 reports. The DOH's report to the Twenty-Fifth Legislature, 2009, is an update to previously addressed issues.

After a lengthy community process, that included as many patients as possible, the often contentious child visitation policy was made permanent. The new child visitation policy was developed after numerous meetings with the patient community and implemented on September 1, 2007 on a trial basis. With a ten month trial period, and no significant issues with the new policy, it was permanently adopted on July 8, 2008 at the community meeting.

Three Kalaupapa patients receiving their end of life care at Hale Mohalu Hospital opted to return to Kalaupapa to pass away, but did not make the decision to do so until they were too medically fragile to fly on commercial airlines. Air ambulance company, Air Med Hawaii initially transported these patients to Kalaupapa to pass away until they became aware that returning patients home to expire is not within their certified service operations. After several discussions, Air Med Hawaii decided to provide the service of returning the patients to Kalaupapa free of charge in order to be able to provide this service to the community.

In November of 2007, the Healthcare Association of Hawaii conducted a two-day Community Emergency Response Team training in Kalaupapa. The training, attended by 40 DOH and National Park Service employees, taught the employees to appropriately respond to natural and manmade disasters in a coordinated effort. The training was enhanced by having the employees respond to simulated disasters.

The formerly contentious issue of supplying patients with major household appliances is in its third year of operation and appears to be going smoothly. This past year, two patients each replaced one of their five major appliances.

## REPORT TO THE LEGISLATURE

### IN COMPLIANCE WITH SECTION 326-25.5, HRS

The Department of Health (DOH) is submitting this annual report to the legislature on initiatives and improvements in Kalaupapa Settlement, tracking patient and non-patient costs separately, whenever appropriate and possible. The initiatives and improvements address deficiencies identified by an audit (Auditor's Report No. 03-15, Audit of Kalaupapa Settlement Operations and Expenditures) conducted during the summer of 2003.

The annual report is broken down into nine topic areas consisting of:

1. The Department's provision of medical and basic living needs of the patients;
2. The Department's progress toward defining and addressing the non-medical needs of patients;
3. The Department's progress toward promoting a positive living environment;
4. The Department's management of State resources, including benefits given to employees that are not statutorily defined;
5. The Department's progress toward establishing written policies and procedures for the Kalaupapa store;
6. The Department's progress toward establishing and maintaining a complaint file and adequately addressing complaints;
7. The performance of the administrator, including compliance with job duties;
8. The Department's progress toward adequate accountability of State property; and
9. Details and justification of approved employee air travel requests and trail pay.

An additional section will address what the Department has done to track patient and non-patient costs separately.

The DOH welcomes the opportunity to report to the Legislature on the progress it has made to address issues identified in the audit that are important to the patients of Kalaupapa. Many of the problems identified in the auditor's report from December 2004 were addressed and corrected. They are described in the 2005, 2006, 2007 and 2008 reports to the Legislature. This 2009 report details the Department's continuing efforts to improve patient relations and community operations.

## **I. The Department's provision of medical and basic living needs of the patients**

The DOH is responsible for providing all medical care for the 25 remaining former Hansen's disease patients on the Kalaupapa registry. This includes not only medical conditions that are a sequelae of arrested Hansen's disease, but also numerous other medical conditions that affect this geriatric population. All of the patients have handicapping disabilities related to Hansen's disease and many continue to encounter long-term foot ulcers related to nerve damage and the associated loss of sensation. Chronic diseases such as diabetes, chronic heart failure and various cancers commonly afflict this population.

The average age of the patients is 77 years, with a range in age from 67 years to 86 years. The average age has remained relatively stable over the past few years at 76-77 years old. The patient mortality rate has also remained relatively stable at three to four deaths per year for a number of years. This year, there were three patient deaths since the last legislative report.

The DOH's goal has been to keep the patients as independent as possible at whatever level of capacity they may be at. To achieve this, the Hansen's Disease Branch (Branch) developed a number of different programs and levels of patient care. The program runs a meals-on-wheels program for patients who are no longer able to cook for themselves, enabling patients to stay in their homes as long as possible. A home chore worker program is also available to provide house cleaning services, home chore services, and light cooking. Most of the patients also receive lawn services provided by the DOH. Approximately thirteen patients continue to live independently in their homes.

For patients who are no longer able to live independently in their homes, the next level of care is provided at the Kalaupapa Care Home. Currently there are two long-term patients at the care home. The care home, which was previously licensed as a type II adult residential care home (ARCH II) was recently upgraded to a nursing facility, capable of accommodating patients at the skilled nursing level, intermediate care level, and care home level. The upgrade is on a trial basis to determine if a higher level of licensure for Kalaupapa Care Home should be included in a new comprehensive plan including Hale Mohalu Hospital.

Staff registered nurses (RNs), licensed practical nurses (LPNs), paramedical assistants (PMAs) and home chore workers provide medical services in the Kalaupapa Nursing Facility. Nursing staff positions have been particularly difficult to fill in Kalaupapa due to its isolation and remoteness as well as the restrictive family policies for workers enacted to protect the patients' privacy. All nursing positions are currently filled; however, vacancies are anticipated in the near future due to pending retirements. A long-term purchase of service contract with the University of Hawaii, John A. Burns School of Medicine provides physician services to Kalaupapa twice a week for outpatient visits and medical consultation. Although the contract is costly, it was the only option available when the DOH physician retired.

Patients requiring the next level of care are transferred to the 14-bed Hale Mohalu Hospital at Leahi Hospital in Honolulu. Hale Mohalu Hospital is licensed as a broad service hospital and frequently accommodates patients at the end stages of life, those recovering from complex

medical procedures performed at community hospitals, or those receiving ongoing medical treatment in Honolulu hospitals. There are currently nine long-term Kalaupapa registry patients residing at Hale Mohalu Hospital.

Many specialty medical services are provided only in Honolulu. The DOH provides all airfare, food and lodging to those Kalaupapa patients during outpatient visits for such services. Patients with acute medical conditions often require air evacuation by air ambulance due to the isolation of the settlement and long periods between scheduled commercial flights. The DOH pays for this cost, but, as with all medical services, is the payer of last resort.

The DOH's Dental Health Division provides dental care for the Kalaupapa patients, with a dentist making monthly visits to Kalaupapa. A heavy workload and problems obtaining flights into Kalaupapa has created a backlog of Kalaupapa patients receiving preventive dental visits. Care Home staff met with the Dental Health Division to consider options to relieve the backlog. The option of scheduling the patients for their dental services on Oahu when they are there for other routine medical work ups was adopted two years ago and is working well.

In addition to medical services described above, the Kalaupapa patients are also provided with ancillary services and devices such as hearing aids, eyeglasses or contacts, prostheses, orthotics, shoes, and wheel chairs. Annually, a number of patients' homes are remodeled to accommodate their limited mobility or diminished physical functioning. Ramps into homes, widening of doorways, and grab bars have been installed in accordance with Americans with Disabilities Act standards.

Medically fragile patients who choose to remain in their homes are issued a medical emergency alert signaler that is worn to alert care home staff when they get into any situation that requires assistance. As a prelude to a patient moving into the care home full time, some have opted to spend only their nights in the care home and their days in their homes with assistance from home chore workers. This has proven to be a very effective option in the patients' transition to more dependent care.

In 2007 there were a total of five patient deaths that occurred relatively close together. Most were at Hale Mohalu Hospital in Honolulu receiving their end of life care. Three wished to return to Kalaupapa, but did not make the decision to do so until they were too medically fragile to fly on commercial airlines. A private air ambulance company, Air Med Hawaii, returned the patients to Kalaupapa free of charge as a community service.

Another result of the cluster of patient deaths was the development and implementation of an end of life/hospice in-service training at both Hale Mohalu Hospital and the Kalaupapa Care Home. Current information and best practices were reviewed and implemented. A psychiatrist from the Queens Medical Center was also brought on board through the University of Hawaii School of Medicine to provide grieving support to the patients and their families.

Patient-requested physical therapy services were initiated in December of 2004 in Kalaupapa. Physical therapy has an important role in their health care to maximize function, prevent decline, decrease pain, rehabilitate, and treat certain physical illness. For elderly individuals, who often

have decreased physical reserve, any medical illness can lead to decline. Inactivity and bed rest, a common consequence of illness, contributes to and intensifies muscle weakness, causing deterioration in walking and loss of daily living function. Exercise, activity and other physical therapy interventions have a profound effect on overall health, restoring an individual's ability to perform daily activities required to live independently in the community.

Between October 2007 and September 2008, nine Kalaupapa patients received 66 physical therapy treatments in Kalaupapa from a privately contracted physical therapist. The treatments ranged from one or two sessions for some patients and as much as five or six for others. An average of five therapy sessions is provided per month.

Most of the patients' basic living needs are provided by the DOH. Homes or residences in the Kalaupapa Care Home or Hale Mohalu Hospital are provided to all patients free of charge. Water and electricity are also free of charge and are paid by the National Park Service (NPS) and DOH, respectively. All patients receive a \$45.00 per week food credit to purchase goods in the Kalaupapa store. Patients on the meals on wheels program have the cost of their meals deducted from their food allowance. Patients who receive all their meals through the meals on wheels program retain a \$10.00 per week credit of their ration at the Kalaupapa store for personal items and incidental purchases. The patients also receive a quarterly \$30.00 cash allowance and a \$70.00 clothing allowance twice a year. For those patients without any third party medical insurance, the DOH pays for their Medicare A and B premiums and Medicare Part D (drug plan) to save on medical costs.

## **II. The Department's progress toward defining and addressing the non-medical needs of patients**

The DOH continues to encourage two-way communication between the DOH and the patients by holding monthly community meetings. The NPS also attends these meetings as well as the Deputy Director of Health Resources Administration and the Communicable Disease Division Chief on a quarterly basis. In addition to addressing patients' concerns and getting patient input for those issues that concern them, the meetings provide a venue for the DOH and NPS staff to announce changes occurring or scheduled within the settlement and to introduce new staff to the patient community. A frequent patient complaint prior to the monthly community meetings was, "I didn't know they (DOH/NPS) were doing that, or there are many new faces in the settlement we don't know." In a small isolated community such as Kalaupapa, such changes can be unsettling. The community meetings have mitigated much of the uneasiness.

Quarterly meetings with the Patient Advisory Council (PAC), the Kalaupapa Administrator, the Branch Administrative Officer, and the Branch Chief have also been utilized since June 2003 to maintain open lines of communication between patients and the DOH.

The patient sponsored child visitation policy was a very contentious issue for the patients for many years. After numerous meetings with the patient community, a new patient child visitation policy was developed and implemented on September 1, 2007 on a trial basis. After ten months of trial and no real issues with the new policy, it was permanently adopted on July 8, 2008 at the community meeting.

At the prompting of a Kalaupapa patient constituent, an increase in the Kalaupapa patients' pensions was introduced in the Legislature by Senator Rosalyn Baker in 2007. The patients earned the pension as employees of the Kalaupapa Patient Employment Program (PEP). Because the program is not part of the State civil service system, the pension is separate from the Employee Retirement System (ERS) and therefore does not receive the annual pension increases as ERS pensioners do. The proviso language provided Kalaupapa patient pension increases in fiscal years 2008 and 2009 with the greatest increases going to those patients who are paid the least.

Instructions released in the Governor's FY 08 Budget Execution Policies and Instructions specifically deemed the language for the pension increase to be defective and directed the affected program to seek an Attorney General's (AG) opinion regarding its implementation. The opinion from the AG's office stated that the DOH could not pay the pension increase as written. The Branch worked with the AG's office to develop pension language that was introduced by Senator Rosalyn Baker as Senate Bill 3228 in the 2008 legislative session. The bill passed and was implemented as of July 1, 2008.

Senate Concurrent Resolution (SCR) 208 was passed in the 2008 legislative session. It acknowledges Kalaupapa patients for their sacrifices and apologizes for their forced isolation. The DOH worked with Senator Kalani English and the Ka Ohana O Kalaupapa to develop a compromise resolution that was passed by the Legislature. In August 2008, Senator English read the resolution to the patients at Kalaupapa and at Hale Mohalu Hospital.

Molokai Air Shuttle provided reliable air service to Kalaupapa until it went out of business in April of 2007. Pacific Wings is the only remaining airline servicing Kalaupapa. The Branch continues to receive numerous complaints from Kalaupapa patients, DOH and NPS staff about Pacific Wing's delayed and cancelled flights, difficulty making reservations, poor customer service, and lost baggage.

Branch staff called the CEO of Pacific Wings to voice the complaints, but received no action or resolution to any of the issues. Both the Branch staff and the NPS staff called the Federal Department of Transportation to see if there was any recourse for the poor air service. Both were told that Pacific Wings had given up the federal essential air service (EAS) subsidy in March 2007 and was under no obligation to follow any of the mandatory EAS flight requirements. The Branch also passed on the patients' complaints to Senator Daniel Inouye, but received a call back saying there was not much he could do to improve the service. Representative Mazie Hirono offered to look into the matter after a visit to Kalaupapa in August 2008, but recently relayed to the NPS that the airline is operating within their Federal Aviation Administration (FAA) certification and there is nothing else that can be done.

Air Nui was a start up airline made up of the former pilots of Molokai Air Shuttle. They were scheduled to start full air service between Oahu and Molokai in June of 2008 pending their FAA certification. The DOH worked with the airline to come up with a Kalaupapa flight schedule that

would accommodate both the patients and employees. All Kalaupapa residents looked forward to Air Nui as a welcomed alternative to Pacific Wings. Their FAA certification was never awarded and all committed resources were dissolved in July of 2008.

At the end of 2007, Young Brothers Tug and Barge retired the barge “Aukai” due to concerns about sea worthiness. The “Aukai” is the only barge within Young Brothers fleet that is large enough to service Kalaupapa with roll-on/roll-off capabilities to accommodate large gasoline tanker trucks and other heavy construction equipment, yet small enough to safely enter Kalaupapa’s small harbor. Modifications for the pier and for harbor dredging are being pursued by both the DOH and NPS, but will not be in place to accommodate a larger barge until 2012 at the earliest.

For the 2008 annual barge service, the NPS contracted with American Marine who provided an appropriate sized barge, but sub-contracted the tug portion of the service to Young Brothers. Because of this, the NPS was not able to control the cost for the barge contract, which ended up being over twice the amount usually paid to Young Brothers (\$92,000 for FY 20007 and \$193,550 for FY 2008). Branch staff met with the executive leadership of Young Brothers and received a verbal commitment that a replacement barge would be purchased at the end of 2008 to replace the “Aukai”.

The Branch has recently been notified by Young Brothers that the replacement barge was not purchased as anticipated due to the worsening financial environment. Other options are being explored to avoid the costly contract executed last year.

In 2008, the electrical wiring in four patients homes were completely re-wired with \$50,000 operating funds provided by the Legislature. Wiring in other patient homes will be monitored and the NPS has already been approached to assist with re-wiring homes that would require it, since there is no additional funding.

In 2004, a patient household appliance replacement program was initiated to address this audit-identified issue. The appliance replacement program was developed after surveying the patients for their input as to how the program should be run. A pool of each of the five major appliances (washer, dryer, refrigerator, stove, and water heater) was brought in on the 2004’s barge. Microwave ovens were also added to the pool in 2005. As of last year’s report, there were 32 appliances issued to 15 patients under this program. This year, three washers, three dryers and two refrigerators were purchased to replenish the pool. Two patients replaced an appliance this year.

### **III. The Department’s progress toward promoting a positive living environment**

Branch staff initiated contact with the Hawaii Medical Service Association (HMSA) Foundation to look into the possibility of the foundation donating a van with a wheelchair lift and tie downs for the patients at Kalaupapa. The HMSA Foundation located a van, purchased it and donated it to the DOH in time to make the July annual barge to Kalaupapa. It is currently being used by the care home to transport wheelchair bound patients on outings.

In November of 2007, the Healthcare Association of Hawaii conducted a two-day Community Emergency Response Team (CERT) training in Kalaupapa. The training, attended by 40 DOH and NPS employees, taught the employees to appropriately respond to any natural and man made disasters in a coordinated effort. The training was enhanced by having the employees respond to simulated disasters.

Plans to replace the emergency back up generator in the care home have been initiated with \$500,000 capital improvement project (CIP) funding. The current generator is almost 30 years old and has only enough capacity to power one wing of the care home. Operational problems include exhaust fumes blowing into the care home, and excessive noise and vibration during operation. Branch staff is working with the design consultant to purchase a new generator that would be able to power the entire care home on a long term basis with minimal noise, vibration and fumes.

The DOH has been working closely with the NPS to secure funding to address problems identified in the NPS's comprehensive plan titled "Kalaupapa Harbor and Pier Engineering Report" dated June 2005. In that report, serious problems were identified in the 30-year-old pier, which included the now repaired bulkhead wall, break water, mooring points, harbor and turning basin. Phase two of the pier and harbor project will target the acute problems of spalling and cracking of the pier supports, replacement of the pier fendering system, replacement of the remaining bollards and bitts, and installation of a mooring winch. These repairs are scheduled for the summer of 2009.

The Branch has obtained a commitment from the NPS to fund the third and final phase of the pier and harbor project. That phase will involve all the underwater work including dredging the harbor, installing breasting dolphins, and possibly lengthening the breakwater. The third phase will require an environmental impact statement prior to any actual work. The NPS has projected initiation of Phase III in 2012 at the earliest.

This past year, the Catholic Church announced that a second miracle had been accepted for Father Damien. This assures his sainthood and the dates of the sainthood ceremonies will be announced by Rome in February of 2009. In anticipation of the celebrity status this will create around Father Damien, Kalaupapa, and the St. Philomena Church, the DOH has been in contact with the NPS and the Molokai Visitor's Bureau. Major items of concern are what needs to be in place to accommodate the greater crowds and interest in Molokai and Kalaupapa as well as how to mitigate the impact on the remaining patients in the settlement. The Director and Deputy Director of Health met with Bishop Larry Silva to open discussions on the roles the Church and the DOH will play once Kalaupapa becomes a pilgrimage site.

The DOH is responsible for the security of Kalaupapa as mandated in Hawaii Revised Statutes, Section 326. Per this chapter, a sheriff, who by law is a patient resident, and his deputies are appointed by the Director of Health. The changing nature of the crimes occurring in Kalaupapa combined with an aging patient population prompted the Branch to seek additional security and enforcement capacity to keep the patients and staff safe and secure. With the announcement that the current patient sheriff, Mr. Richard Marks, is considering resigning from his position, it was an opportune time for the DOH to explore the option of appointing an NPS Ranger as the sheriff.

The Ranger is enforcement trained and certified and can appropriately respond to any type of incident. The NPS is in agreement and we will formalize the arrangement upon receipt of Mr. Marks resignation.

The DOH has been active in promoting and providing a positive living environment in Kalaupapa. The following extracts provide a chronology of DOH-supported activities and events for the period October 2007 to September 2008.

#### October 2007

Communicable Disease Division Chief, Glenn Wasserman, MD, MPH, attended the community meeting.

Completed 2008 Kalaupapa legislative reports: 1) Kalaupapa remediation based on the 2003 legislative auditor's report; 2) Increases in the Kalaupapa patients' pensions.

Hale Mohalu Hospital staff took Kalaupapa patients to the world premiere showing of the documentary Kalaupapa Heaven. Staff also worked with Director, Paul Cox, to make copies of the documentary available for patients.

Began installation of fire extinguishers in all Kalaupapa buildings including patients' and staffs' residences. Re-checked all previously installed smoke detectors to insure proper operation.

At the direction of the Department of Budget and Finance, a request was made for an Attorney General's opinion as to the legality of the 2007 legislative language to raise the patients' pension amounts. The Attorney General's Office informed the Department they will assist in developing statutory language to address this issue.

#### November 2007

Two day CERT training provided for approximately 40 DOH and NPS employees to adequately respond to natural and manmade disasters. Healthcare Association of Hawaii provided training as well as conducted simulated disasters.

Met with the NPS regional planners to detail the NPS's responsibility for the third phase of the Kalaupapa pier and harbor repair project.

#### December 2007

Met with the Kalaupapa PAC for the first time in four months. The PAC has not been able to hold a quorum meeting due to patient deaths and long term medical problems among PAC members.

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Began installation of fire extinguishers in all Kalaupapa buildings including patients' and staffs' residences. Re-checked all previously installed smoke detectors to insure proper operation.

The Director and Deputy Director of Health met with Bishop Larry Silva to discuss Catholic Church related issues in Kalaupapa.

Community Christmas party sponsored by the Kalaupapa Lions held. Community caroling and Christmas decoration contest held.

All patients received \$50 Christmas money out of the Kalaupapa patient donations fund.

Candidate selected to catalog the old Kalaupapa patient records.

#### January 2008

At the patients' request, intervened with the NPS to ask management to reconsider reassigning a NPS employee out of the Kalaupapa Settlement.

Provided legislative testimony for Senate Bill (SB) 3136 constructing a Kalaupapa patient memorial and SB 3228 increasing the Kalaupapa patients' pensions.

#### February 2008

Contacted the Pacific Basin Development Council to explore options available to improve Pacific Wings' air service to Kalaupapa.

Communicable Disease Division Chief, Glenn Wasserman, MD, MPH, attended the community meeting.

Letter sent to Kalaupapa patient's medical and durable power of attorney notifying him that legislative testimony had been submitted in the patient's name when the patient is not capable of doing so.

Secured an agreement with Air Med Hawaii to provide air evacuation flights for Kalaupapa patients too medically fragile to take a commercial airline back to Kalaupapa to pass away in the Settlement.

Initiated contact with HMSA to assist with securing used Handi-Vans for both Kalaupapa patients and Hale Mohalu patients.

Conducted interviews to select a Director of Nurses for Hale Mohalu Hospital.

Initiated Kalaupapa landfill closure and turnover of solid waste responsibilities to the NPS by December 2008.

Executed NPS/DOH memorandum of agreement to contract the annual barge service for Kalaupapa.

### March 2008

Opinion requested from the Attorney General's office clarifying under what circumstances the DOH may authorize an individual's long-term residence in Kalaupapa. This was necessary due to a couple of nonresidents challenging the residence policy.

Denied a patient's request to sponsor a child visitation into Kalaupapa based on noncompliance with the Kalaupapa patient community endorsed child visitation policy.

Established contact with Nui Air (new airline who will provide air service to Kalaupapa in the future) to recommend flight schedule that would be the most beneficial to the patients and staff once the service is in operation. Nui Air is awaiting FAA operations certification and is expected to begin air service to Kalaupapa in June of 2008.

Presented informational presentation on Kalaupapa to 30 psychiatric medical students sponsored by the University of Hawaii School of Medicine.

Participated in the NPS's value analysis selection process for the Kalaupapa phase III pier improvement project.

Follow up calls placed to Young Brothers Tug and Barge senior administration to confirm plans to replace barge "Aukai" and continue uninterrupted barge service for Kalaupapa.

Completed electrical rewiring of four patient homes in Kalaupapa with operating funds provided by the legislature.

Testified on House Concurrent Resolution 373 expressing gratitude to the Kalaupapa patients for their sacrifices.

Testified on Senate Concurrent Resolution (SCR) 208 acknowledging Kalaupapa patients for their sacrifices and apologizing for their forced isolation. Worked with Senator English and the Ka Ohana O Kalaupapa to develop a compromise resolution.

### April 2008

Resolved all the electrical problems in a patient's home that occurred because of a total house re-wiring.

Distributed the 2008 Legislative audit report to the patients at the April community meeting at the prompting of the Ka Ohana O Kalaupapa.

Developed and provided hospice care in-service training for all medical care staff at the Kalaupapa Care Home and Hale Mohalu Hospital.

Initiated patient pension increase payments in accordance with recently passed SB 3228, signed into law on April 30, 2008.

Met with Department of Accounting and General Services (DAGS) project manager and design and plan consultant to detail and describe the replacement of the backup electrical generator for the Kalaupapa Care Home.

Assisted in resolving a dispute over one patient's dogs killing another patient's dog.

#### May 2008

Participated in a meeting with Young Brothers Tug and Barge Service and the NPS to insure long-term barge service commitment to Kalaupapa.

Met with the new Kalaupapa NPS Superintendent to give him an informational overview and orientation to Kalaupapa.

Hired a Nursing Supervisor for Hale Mohalu Hospital.

Accepted a wheelchair van for the Kalaupapa patients from HMSA Foundation. Van will be sent to Kalaupapa on the July 19, 2008 barge.

Implemented employee drug and alcohol testing program for Kalaupapa Bargaining Unit 01 employees.

Branch Planner hired with immediate responsibilities for coordination of landfill closure and extension options, pier repair planning and replacement of the emergency generator in the care home.

#### June 2008

Policies and procedures were developed to operate a patient activity/recreation program at Hale Mohalu Hospital.

Requested the NPS revise their Kalaupapa National Historic Park website to include language that states Kalaupapa is a closed community by State statutes and can only be visited by invitation of a Kalaupapa resident or on the NPS sanctioned tour.

Met with the Kalaupapa PAC and the patient community to discuss and address the increasing potential for exploitation of Kalaupapa and the patient residents by outside groups eager to take advantage of Kalaupapa's celebrated status.

Met with DOH Solid Waste Management Branch staff to begin process of landfill closure as well as developing operating extension options in the event that the NPS is unable to take over the solid waste responsibilities as of January 1, 2009.

Assisted DAGS in the selection process for a consultant to develop the design and construction plan for the replacement of the Kalaupapa Care Home emergency generator.

### July 2008

The temporary child visitation policy was made permanent after a one year trial in which only one patient voiced concern that the settlement should be open to any children to visit without any restrictions (the majority of the patients were completely against this). The current child visitation policy was developed after several previous community meetings and discussions and two separate patient surveys on the matter based on the majority's wishes.

Provided a policy response for the Ka Ohana O Kalaupapa and a concerned patient representative clarifying DOH's policy toward releasing Kalaupapa patients' names for the proposed Kalaupapa patient memorial.

Met with Senator Kalani English to coordinate his visits to Kalaupapa and Hale Mohalu Hospital to allow him to read SCR 208 to the patients recognizing their significant sacrifices and apologizing for the government's treatment of them.

Set up an eco-life study of animal life at the airport with the US Department of Agriculture Wildlife Services Branch. It will consist of one week per month of observations and documentation of animal life at the airport for a one-year period.

Coordinated and supported the visit of Solid Waste Management Branch staff to map out details and processes to shutdown Kalaupapa's solid waste municipal landfill, construction and demolition dump, green waste, and animal carcass pit.

Response sent back to Senator Kalani English regarding his concern about how the four percent Governor's budget restriction would affect the Kalaupapa budget. The four percent restriction was not taken by the Branch, but absorbed elsewhere within the Department.

### August 2008

The Kalaupapa patient sheriff submitted a letter of his impending resignation from the position. By law, the DOH may appoint another patient or may also appoint another individual as the Kalaupapa sheriff. Due to the increasing severity and complexity of the incidents occurring in the Settlement the option of appointing the NPS Ranger was explored. The NPS Ranger is law enforcement trained and certified. The patients, the retiring sheriff, and the NPS were all agreeable to this arrangement, which will be pursued once the current sheriff formally retires.

The quarterly meeting between the DOH and NPS to discuss issues and transitions was held.

The Deputy Director, Health Resources Administration, attended the August community meeting to hear the patients' issues and concerns directly.

Hosted Senator Kalani English and his staff for visits to Kalaupapa and Hale Mohalu Hospital to read SCR 208 Legislative apology to the patients. Senator English also met with the patients to hear their concerns and issues. Per Senator English's staffer, the only patient issues and concerns raised were poor air service and poor phone service.

Hosted the Noa Engineers' consultant who will be developing the construction plan for replacing the 30-year-old emergency backup generator in the Kalaupapa Care Home with a larger capacity generator that will be able to power the entire care home in an emergency.

#### September 2008

Two patients' durable power of attorneys (DPOAs) were notified by staff that an individual who had previously taken financial advantage of a Kalaupapa patient was seen visiting two vulnerable patients. Documents were executed by the DPOAs to keep the individual away from the patients.

The Kalaupapa Settlement Administrator announced his retirement effective December 31, 2008. Branch staff inquired with the Department's Human Resources Office as to the possibility of changing the position description of the Kalaupapa Administrator to make it more generalized. There were no position descriptions that readily fulfilled the requirements and criteria of the position. Recruitment will proceed with the current position description (last revised in 2004).

Kalaupapa's annual gasoline purchase was 8,000 gallons short of the planned 28,000 gallon procurement because one of the gas tanker trucks broke down and was not able to get on the annual barge. Various options were pursued to make up the gas shortage. Goodfellows Construction Company offered space on their construction barge to bring a gas tanker truck in; however, no commercial gas vendor was willing to take the contract. Alternatives were explored with the Hawaii National Guard and the US Army. Neither proved viable. Gas rationing was implemented on September 22, 2008 in order to make it through the year.

Branch staff in conjunction with Solid Waste Management Branch staff completed baseline leachate and gas monitoring parameters in anticipation of closing the Kalaupapa landfill. Annual training for landfill operations was completed.

Guitarist, Jeff Linsky performed for the patients at Hale Mohalu Hospital. He performed a concert on Oahu in which some of the proceeds were donated to the Ka Ohana O Kalaupapa.

Department of Transportation funded improvements to the Kalaupapa airport were completed. The project included installing a fence around the airport, repairing the parking apron, installing new runway lights, and grading the sides of the runway.

#### On Going Annual Events

- Annual Christmas caroling with DOH staff and patients. The group practices the songs at the Kalaupapa Care Home then drives around the settlement in two large vans, stopping at each patient's home to sing. After caroling, everyone goes to the church hall for refreshments.
- Annual community Christmas party with Santa. The party sponsored by the Kalaupapa Lions Club is always a festive event, with Santa giving out numerous presents to patients, a full dinner, and entertainment.

- An annual concert is preformed by guitarist, Jeff Linsky, in Kalaupapa for the patients and community. He also performed for the patients at Hale Mohalu Hospital.
- The NPS sponsors weekly volleyball games and movie nights for the patients and community.
- Patient, Catherine Costales, sponsored the first annual Kalaupapa community block party.
- Every year the St. John Vianney Choir from Kailua visits Kalaupapa to perform their annual summer concert. They arrive a few days before their concert and perform many volunteer tasks for the patients such as washing cars, dogs, and cleaning yards. Every evening during their visit, they prepare an evening meal and all the patients are invited. Music and singing usually follows dinner. There is always dinner following the formal concert at the St. Francis Church Hall.

#### **IV. The Department's management of State resources, including benefits given to employees that are not statutorily defined**

The DOH continues to manage State resources according to the State's policies and procedures for purchasing goods and services, expending goods, and deleting expired durable goods as originally described in the 2005 legislative report.

No new benefits that are not statutorily defined have been given to the Kalaupapa employees during 2008.

#### **V. The Department's progress toward establishing written policies and procedures for Kalaupapa store**

The Kalaupapa store has effectively utilized the policies and procedures developed in January 2004 to dispose of inventory that expired or deemed unsellable. The audit identified the lack of written policies and procedures for the disposal of inventory at the Kalaupapa store as contributing to an appearance of potential abuse. This was adequately addressed in the first report to the Legislature in 2005.

The inventory management policy that has been in place for the past four and a half years insures "first in, first out" utilization of inventory. Quarterly inventory counts reconcile the actual inventory on hand with the database, determining annual purchase projections for each store items. Accurate annual usage data results in precise ordering and decreased overages for any given item.

For the period from October 2007 to September 2008, \$538 worth of store goods were disposed of due to spoilage, expired sell dates, insect infestation or damaged containers. Annual store purchases usually total \$90,000-\$100,000. The \$538 disposed goods are a significant decrease from last year's \$2,391 total (which was an improvement over the previous year). All disposals were requested by the store supervisor, authorized by the Kalaupapa Administrator, and witnessed and signed off by two other employees at the time of actual disposals.

## **VI. The Department's progress toward establishing and maintaining a complaint file and adequately addressing complaints**

Both the Hansen's Disease Branch administration and the Kalaupapa administration office set up a formal complaint process as of January 2004. It is patterned after the Director's Office complaint process. All complaints are logged with the date received, how the complaint was received (e.g. phone call, letter), nature of the complaint, what actions were taken and when the actions were taken. All complaints are followed up by a written response or a follow up phone call to the person filing the complaint.

As of October 2008, the Branch office received ten complaints. All ten complaints were made by, or on behalf of Kalaupapa residents. All were resolved and a response given back to the person filing the complaint within a two week period. Complaints included poor air service provided by Pacific Wings, problems with home renovations or the length of time taken, loose dogs in the settlement, and employees taking patient medical care appointment time at the Care Home.

The Kalaupapa Administrative Office received eight complaints from Kalaupapa residents during the same period. Seven of the eight complaints involved services, or lack thereof, from Pacific Wings airlines. Branch follow up with Pacific Wings Airlines has been previously documented.

## **VII. The performance of the administrator, including compliance with job duties**

The Kalaupapa Administrator's special remediation and training was documented in the first legislative report in 2004. The Administrator received nearly unanimous support of his performance from the patients at that time. Six months after the favorable patient evaluation, House Health Committee Chairman Representative Dennis Arakaki held a Health Committee Hearing in Kalaupapa on February 28, 2005. The purpose of the visit was to provide the community an opportunity to respond to the DOH's progress in addressing the non-medical needs of the patient residents.

There were approximately thirty community members at the hearing including patients, volunteers, clergy, and employees of the DOH as well as the NPS. The previous audit identified a fair amount of frustration from the patients in regards to the Kalaupapa Administrator's performance and attitude. To address this critical aspect of the audit and the DOH's response, Representative Arakaki asked the Kalaupapa Administrator to leave the hearing so the patients could talk freely about his performance.

Once the Administrator left the hearing, ten patients took the opportunity to comment on the Administrator's performance. Nine patients spoke well about his performance and testified that they have observed an improvement in the Administrator's behavior and attitude, and that "he is trying to change how he treats patients." One patient voiced a complaint, but could not clarify what the actual problem with the Administrator was. The temporary Protestant minister spoke

highly of the Administrator and this was in spite of the fact that the administrator had to notify him of the canceling of the DOH-sponsored food credit for the clergy. He said the notification was done very informatively and professionally.

In February 2006, House Health Committee Chairman Representative Dennis Arakaki again held a hearing in Kalaupapa to get the patients' perspective regarding the DOH's efforts in meeting the audit identified problems and the performance of the Kalaupapa Administrator. Of the 15 patients present, three had comments about the Administrator. Two of the three felt that the administrator was "doing good and (there was) nothing to complain about," and they also felt that he was "doing what has been asked of him." The third patient voiced a number of concerns that were not directly related to the administrator.

In August of 2008, Senator Kalani English attended the monthly community meeting to read the legislative apology to the patients. After meeting with the patients the only complaints brought up were recent problems with the phone system in the settlement. Most of the problems with the phone system have been resolved with the replacement of a majority of the main lines servicing the settlement. Senator English also read the legislative apology to the Kalaupapa patients who are hospitalized at Hale Mohalu Hospital the day after his Kalaupapa visit. The only concern raised during that time was problems with the air service to Kalaupapa provided by Pacific Wings (previously discussed).

The Branch Chief has observed the Kalaupapa Administrator's interaction with the community at all the monthly community meetings as well as at the Patient Advisory Council meetings. In all instances, the Kalaupapa Administrator has been cordial, fair, and often innovative in suggesting solutions to some difficult situations facing the Kalaupapa community. Overall, patient response to the Kalaupapa Administrator and the monthly community meetings has been positive.

The Kalaupapa Administrator has recently announced his retirement from the position effective December 31, 2008. The next challenge will be to find a qualified replacement who will be able to fill this challenging position.

#### **VIII. The Department's progress toward adequate accountability of State property**

Inventory control policies that were developed and implemented in June of 2004 have been utilized effectively for the past five annual barge visits. All new State property brought in on the barge is affixed with a decal. The State employee delivering the item must report the item/description, decal number, and location delivered to the Administration Office while the receiving party must sign for the item to acknowledge receipt. All State property shipped out on the barge for disposal must have a State approved disposal application form (DAGS form) and be logged on the Kalaupapa Administration Office's Outgoing Barge Form to facilitate inventory control.

DAGS has raised the minimum per item cost that is required to be reported on each program's inventory forms from \$500 to \$1,000. Many purchased items for Kalaupapa no longer reach this threshold for inventory reporting. Last year the program has instituted an inventory log to keep

track of high cost items that do not necessarily meet the inventory threshold. Items such as chain saws, power tools, and appliances have been added to the internal program log.

#### **IX. Details and justification of approved employee air travel requests and trail pay**

Each bargaining unit contract contains a specific article that allows a Kalaupapa employee whose permanent residence is on “topside” Molokai, and who is provided quarters in Kalaupapa as a matter of convenience be granted either three roundtrips by air per month, or two hours of travel pay for walking up and down the trail once a week to topside. Employees whose permanent residence is in Kalaupapa will be granted one roundtrip by air to topside each month or in lieu of the three round trips to topside, an employee may instead take one inter-island round trip per quarter.

Employee air travel procedures that were modified, implemented and reported in the 2005 legislative report continue to be utilized. All employee requests for air travel reimbursement must be substantiated by a valid airline receipt. In addition to submitting the receipt, the employee must also complete and sign a reimbursement application at the end of each month for that month’s travel. These reimbursement requests are then sent to the Branch office for review and approval by the Administrative Officer. The paper work is forwarded through the Communicable Disease Division Office to the DOH’s Administrative Services Office for submission to the DAGS to generate the reimbursement check.

For the period October 2007 through September 2008, the DOH expended \$14,824 for employee authorized trail pay. During the same period, the DOH expended \$35,807 on employee authorized air travel pay. The employee authorized air travel is substantially larger this year due to increases in airfare, sometimes more than double last year’s cost. Some of the employees elected to use a combination of both benefits as allowed by contract.

#### **PATIENT AND NON-PATIENT COSTS**

Act 232 SLH 2004 (HB2814,H.D.2,S.D.1,C.D.1) amended Section 326-13, HRS on expenses at Kalaupapa, to include a new section (b) in which “expenses related to patients shall be tracked separately from non-patient costs, whenever appropriate and possible.” There are a number of costs that can be tracked separately, but the majority of the costs for Kalaupapa cannot be separated.

The following is a summary of expenses that were tracked or that could be readily calculated.

Patient Expenses for the period October 1, 2007 through September 30, 2008:

Home Care Staff Salaries	\$ 145,992
Home Care Staff Overtime	3,828
Medications	102,077
Miscellaneous Medical Expenses (supplies, specialists, etc.)	158,009
Medical Services	74,257
Medical Insurance Premiums (HMSA & Medicare)	26,142

Medicare Reimbursement	6,160
Nursing Facility Staff Salaries	842,219
Nursing Facility Staff OT	30,607
Patient Employee Program Salaries	40,279
Physician Services	110,008
Travel Cost for Medical Care	35,796
Pharmaceutical Services	1,800
Dietary & Nutrition Services	3,505
Physical Therapy Services	3,188
Cash Food Allowance	9,902
Food Rations (\$45 per patient per week drawn at the store)	26,475
Meals (6,536 meals @ \$5.00)	34,255
Clothing Allowance (\$70 per patient per 6 months)	4,571.31
Cash Allowance (\$30 per patient per quarter)	3,086
Patient Employee Program Pensions	84,200
Appliances (washer, dryer, refrigerator, stove, water heater, microwave oven)	3,436
Cable TV (paid by donation funds)	10,246
Beautician	363
Stamped Envelopes (10 per patient per month)	2,800

Non Patient/Employee Expenses for the period October 1, 2007 through September 30, 2008:

Trail Pay/Air Travel	\$ 50,631
Employee Meals (11,477 meals @ \$5.00)	63,595
Salaries (Admin, Food Services and Construction & Maintenance)	917,366
Overtime (Admin, Food Services and Construction & Maintenance)	44,344
Standby Pay	8,320
Food Ration Credit	4,783
Employee Safety Equipment Cost (steel toe shoes, gloves, goggles, respirators, etc.)	929

Expenses that would be difficult to track as either patient or non-patient include:

Administrative/clerical Services: labor cost, supplies, facility maintenance, utilities.  
Housekeeping Services: labor cost, supplies, facility maintenance, utilities, equipment.  
Food Services: labor cost, supplies, facility maintenance, equipment and equipment maintenance, utilities.  
Kalaupapa Store: labor cost, supplies, facility maintenance, utilities, shipping, spoilage.  
General Construction and Maintenance Services: labor cost, supplies, facility maintenance, utilities, equipment cost and maintenance.  
Electricity Cost: (State buildings are not metered and one bill is generated)  
Trash Pickup and Landfill Operations  
Upkeep of Common Areas

In all the above examples, DOH staff provides services for patients, staff, visitors, and in some cases, the NPS. It is difficult to separate most costs in Kalaupapa and even if possible, would be

at great cost in time, energy and staffing with questionable accuracy. As an example, the Housekeeping Unit provides janitorial and housekeeping services for the Care Home, State offices, community buildings e.g. McVeigh Hall, and all the visitor's quarters. The community building and visitor's quarters are used by patients and non-patients daily. Assigning costs for supplies used, cost of utilities, facility or building maintenance, equipment purchased or used would be very difficult in this case and would have to be done for every different function or activity that each service section provides.

The General and Shop Maintenance and Building Maintenance Units provide general construction and maintenance service and are responsible for repair and maintenance of all buildings within the settlement, plumbing, painting, common area yard maintenance, vehicle repair and maintenance, garbage pickup and landfill operations and all the subordinate activities under each responsibility. In order to separate patient and non-patient cost, each activity would have to be evaluated separately to assign cost with estimate costs being available rather than actual costs in most cases.

The DOH is greatly appreciative for the opportunity to share with the Hawaii Legislature all the actions it has taken to address the auditor's report and improve the quality of life for the patients of the Kalaupapa Settlement. The DOH feels that most of the issues identified in the audit have been addressed over the past five years.